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Public Policy and External Affairs

January 10, 2007

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Phone 803 254-5736 Fax 803 254-9626

The Honorable Charles L. A. Terreni Chief Clerk and Administrator South Carolina Public Service Commission 101 Executive Center Dr., Suite 100 Columbia, SC 29210

Re: DN. 2004-310-C/Informational Filing Regarding Interconnection Agreement between Verizon South Inc. and SBC Long Distance, LLC d/b/a SBC Long Distance d/b/a AT&T Long Distance

Verizon South Inc. and SBC Long Distance, LLC d/b/a SBC Long Distance d/b/a AT&T Long Distance are parties to an interconnection agreement for South Carolina (the "Interconnection Agreement").

SBC Long Distance, LLC recently adopted the interconnection agreement between Verizon New York Inc. and AT&T Communications of New York, Inc. in New York (the "Adopted Agreement"). The Adopted Agreement that SBC Long Distance, LLC adopted contains an amendment with detailed provisions relating to, among other things, a unitary rate for intercarrier compensation for certain types of traffic, as well as interconnection architecture arrangements (the "Unitary Rate Amendment"). The Adopted Agreement also contains an amendment with detailed provisions relating to, among other things, DS0 loop rates and resale discount rates (the "DS0 Loop/Resale Discount Amendment"). The foregoing Unitary Rate Amendment and DS0 Loop/Resale Discount Amendment to the Adopted Agreement each explicitly provides that the terms of such Amendment shall be applicable to SBC Long Distance, LLC, along with each of SBC Long Distance, LLC's CLEC affiliates, as well as to a carrier adopting such agreement (along with each of such adopting carrier's CLEC affiliates), in each case for purposes of all of its arrangements with Verizon operating telephone companies, in all Verizon service territories. In all Verizon service territories.

See also the following provisions from Section 2(a) of the Unitary Rate Amendment: "... In order for the terms set forth in Sections 3 and 4 below to take effect, the following conditions precedent must be satisfied as of November 1, 2004 (i.e., as of the effective date of the like amendment to the predecessor Interconnection Agreement between the Parties in New York) (or, in the case of another carrier adopting any of the Interconnection Agreements, as of the effective date of any such adoption and with respect to such carrier and all of its CLEC affiliates):..." (italics added for emphasis)

¹ See, e.g., the first paragraph of the Unitary Rate Amendment: "THIS AMENDMENT (this "Amendment"), effective as of August 1, 2006 (the "Effective Date")(the terms of which originally were effective as of November 1, 2004), amends each of the Interconnection Agreements (the "Interconnection Agreements") by and between each of the Verizon incumbent local exchange carrier ("ILEC") affiliates (individually and collectively "Verizon" or the "Verizon Parties") and each of the AT&T wireline competitive local exchange carrier ("CLEC") affiliates (individually and collectively "AT&T" or the "AT&T Parties"; Verizon and AT&T are referred to herein individually as a "Party" and collectively as the "Parties"), but only to the extent the Interconnection Agreements referenced directly below were not already amended to address the same intercarrier compensation (including, without limitation, reciprocal compensation), interconnection architecture and related matters set forth herein. Attachment 1 hereto lists, to the best of the Parties' knowledge, the Interconnection Agreements in effect as of the Effective Date (the original listing having been of Interconnection Agreements in effect as of November 1, 2004). For the avoidance of any doubt, this Amendment shall also amend each new Interconnection Agreement or adoption in any Verizon ILEC service area in which the Parties did not have an Interconnection Agreement prior to August 1, 2006, provided that in such instances the "Effective Date" of this Amendment shall be the date on which such Interconnection Agreement or adoption becomes effective. The term "affiliates," as used in this Amendment, shall have the same meaning as under Rule 405 of the Rules promulgated pursuant to the Securities Act of 1933, as amended." (italics added for emphasis)

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Enclosed, for informational purposes only, is a copy of the Unitary Rate Amendment, as well as a copy of the DS0 Loop/Resale Discount Amendment, which, as noted above, by their terms apply to the Interconnection Agreement in South Carolina. Verizon is making this informational filing to keep the South Carolina Public Service Commission fully informed of the applicable terms between the parties in South Carolina.

If you have any questions or need additional information regarding this matter, please contact me at my office telephone number, 803-254-5736.

Sincerely,

Stan J. Bugner

Attachments (2)

See also the following provisions from Section 3(a) of the Unitary Rate Amendment: "... if for any calendar quarter during the Amendment Term the ratio of MOUs, calculated on an aggregated basis across all jurisdictions, of (i) all traffic subject to the Unitary Rate under this Amendment that is originated on the networks of the Verizon Parties and delivered to the AT&T Parties, to (ii) all traffic subject to the Unitary Rate under this Amendment that is originated on the networks of the AT&T Parties and delivered to the Verizon Parties (the "Aggregated Traffic Ratio"), is greater than five (5) to one (1), then the Unitary Rate applicable to all such traffic above a five (5) to one (1) Aggregated Traffic Ratio shall be zero (i.e., "bill and keep"), and the then-applicable Unitary Rate shall continue to apply to all such traffic up to and including a five (5) to one (1) Aggregated Traffic Ratio." (italics added for emphasis)

See also the following provisions from Paragraph 1 of the DS0 Loop/Resale Amendment: "For the avoidance of any doubt, this Amendment shall also amend each new Interconnection Agreement or adoption in any Verizon ILEC service area in which the Parties did not have an Interconnection Agreement prior to September 1, 2005, provided that in such instances the "Effective Date" of this Amendment shall be the date on which such Interconnection Agreement or adoption becomes effective." (italics added for emphasis)

² See, e.g., the first paragraph of the DS0 Loop/Resale Discount Amendment: "THIS AMENDMENT (this "Amendment"), effective as of August 1, 2006 (the "Effective Date"), (the terms of which originally were effective as of September 1, 2005), amends each of the Interconnection Agreements (each, the "Agreement"; collectively, the "Interconnection Agreements") by and between each of the Verizon incumbent local exchange carrier ("ILEC") affiliates (individually and collectively "Verizon" or the "Verizon Parties") and each of the AT&T wireline competitive local exchange carrier ("CLEC") affiliates (individually and collectively "AT&T" or the "AT&T Parties"; Verizon and AT&T are referred to herein individually as a "Party" and collectively as the "Parties"). Attachment 1 hereto lists, to the best of the Parties' knowledge, the Interconnection Agreements in effect as of the Effective Date, (the original listing having been of Interconnection Agreements in effect as of September 1, 2005). For the avoidance of any doubt, this Amendment shall also amend each new Interconnection Agreement or adoption in any Verizon ILEC service area in which the Parties did not have an Interconnection Agreement prior to August 1, 2006, provided that in such instances the "Effective Date" of this Amendment shall be the date on which such Interconnection Agreement or adoption becomes effective. The term "affiliates," as used in this Amendment, shall have the same meaning as under Rule 405 of the Rules promulgated pursuant to the Securities Act of 1933, as amended." (italics added for emphasis)